



AVION

*Newsletter Number
Four*

Avion Withdraws from X-Prize!

Avion Cars has notified X-Prize that it is withdrawing from the Progressive Automotive X-Prize competition. The reasons for the withdrawal are based on the fact that the competition rules favor electric battery cars with short driving range (<100 miles), requirement of exorbitant liability insurance and an indeterminate contest route for the budgeting of potential expenses.

In a letter to the competition organizer, Mr. Craig Henderson, Avion Car's builder, states, "Purchasing \$4 million in liability insurance coverage and committing to pay for overnight accommodations and meals in an as-yet-undetermined number of cities along the contest route is simply beyond our means."

Notwithstanding withdrawal from the competition, Avion intends to continue its development of the new model and marketing of kit cars. If all goes to plan, Avion car kits will be available for sale in late 2010.



Progress Status

The body of the new design has been produced. Design of the dashboard and electronic controls are currently in progress.